



# County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA  
Chief Executive Officer

October 9, 2007

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**DEPARTMENT OF HEALTH SERVICES: APPROVAL OF A  
SOLE SOURCE AGREEMENT WITH SERVICON SYSTEMS, INC.  
FOR SUPPLEMENTAL GENERAL AND STERILE HOUSEKEEPING  
SERVICES AT THE LAC+USC MEDICAL CENTER  
REPLACEMENT FACILITY PRIOR TO OPENING  
(SUPERVISORIAL DISTRICT 1)  
(3 VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Authorize the Director of Health Services, or his designee, to sign and execute an Agreement with Servicon Systems, Inc., for the provision of four phases of supplemental general and sterile housekeeping services at the LAC+USC Medical Center Replacement Facility prior to opening, effective upon Board approval through March 31, 2009, or until the four cleaning phases have been completed to the satisfaction of the Director or his designee, whichever comes first, with a total maximum obligation of \$409,314.
2. Delegate authority to the Director of Health Services, or his designee, to increase the maximum obligation by no more than 25 percent of the maximum obligation or \$102,329 for unscheduled emergency work, for a potential total maximum obligation of \$511,643.

Board of Supervisors  
GLORIA MOLINA  
First District

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Second District

ZEV YAROSLAVSKY  
Third District

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Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

### **PURPOSE/JUSTIFICATION OF THE RECOMMENDED ACTIONS**

In approving the recommended actions, the Board is authorizing the Director of Health Services (Director) to enter into an Agreement, substantially similar to Exhibit I, with Servicon Systems, Inc. (Servicon) for the provision of four phases of supplemental general and sterile housekeeping services at the Department of Health Services' (DHS) LAC+USC Medical Center Replacement Facility (Replacement Facility) prior to opening, and delegating authority to the Director to increase the maximum obligation by no more than 25 percent of the maximum obligation for unscheduled emergency work.

Four cleaning phases are needed prior to the opening of the Replacement Facility as described below:

<b>CLEANING PHASE</b>	<b>DESCRIPTION</b>
I	After a majority of the new equipment is moved into the Replacement Facility.
II	After all new equipment is moved in.
III	After a majority of the relocated services are moved into the Replacement Facility.
IV	Final cleaning to be completed within two days of opening the Replacement Facility.

The cleaning tasks include high inside walls, ceilings and windows, above floor cleaning and floor cleaning. These tasks will be performed in the Outpatient Tower (244,852 net square feet [SF]), Diagnostic and Treatment Tower (262,213 net SF), and floors one through eight of the Inpatient Tower (518,340 net SF) for a total net SF of 1,025,405.

A definitive timetable cannot be established as to when each cleaning step will be performed because it is dependent on when the building contractor concludes the construction work and approval by regulatory agencies is secured. However, Servicon has factored this uncertainty into its cleaning schedule. If unfettered access is granted, Servicon estimates that cleaning would take two months for each building component using staff working on a full-time basis.

### **FISCAL IMPACT/FINANCING**

The maximum obligation is \$409,314 and may be increased by no more than 25 percent (\$102,329) for unscheduled emergency work with a potential maximum obligation of \$511,643. Funding is included in the Fiscal Year 2007-08 LAC+USC Healthcare Network Adopted Budget and will be requested, if necessary, in future fiscal years.

## **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

For more than 25 years, DHS has contracted for housekeeping services at many DHS facilities that include Harbor-UCLA and Olive View-UCLA Medical Centers under provisions of Section 44.7 of the Los Angeles County Charter and Los Angeles County Codes Section 2.121.250, "Contracting with Private Businesses" (Proposition A).

On August 10, 2004, the Board of Supervisors awarded four housekeeping Agreements for a five-year term to Pedus Service, now Servicon Systems, Inc., at 19 DHS facilities totaling over \$55 million. The award resulted from a competitive bid solicitation.

Servicon has prior experience both in the public and private sectors cleaning hospitals after construction and readying them for move-in and occupancy. In 1991, Servicon performed similar work for Olive View-UCLA Medical Center and in the private sector in March 2007, for the newly constructed Kaiser Medical Center located in Panorama City. The Kaiser facility is approximately 800,000 SF and is comparable in size to the approximate 1,000,000 net SF Replacement Facility.

The Department has determined that this is not a Proposition A Agreement because the services are provided on a short-term basis. LAC+USC's Environmental Services Department cannot perform these responsibilities in addition to maintaining the housekeeping services at the LAC+USC Medical Center facilities. The issue of hiring a private sector contractor for supplemental housekeeping services for the new facility has been addressed with SEIU Local 721 at DHS' Joint Labor/Management Committee. The Union is not opposed to hiring a contractor for the supplemental housekeeping needed for the Replacement Facility opening.

LAC+USC's administration will monitor the contractor's performance and assure compliance with the terms and conditions of the Agreement.

Attachment A provides additional information.

County Counsel has approved the attached Agreement (Exhibit I) as to form.

## **CONTRACTING PROCESS**

In 2004, DHS completed a Request for Proposals process for housekeeping services. DHS determined that it would be in the best interest of the County not to complete another solicitation process because of the need to procure these services timely, on a short-term basis to facilitate the opening of the Replacement Facility.

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Housekeeping services for the existing site are currently provided by the facility's Environmental Services Department and will continue on a limited basis following the opening of the Replacement Facility. However, the facility is not able to simultaneously maintain the existing facility at the current level of service in addition to services needed at the Replacement Facility prior to opening, with existing resources. Therefore, DHS is recommending award of a sole source Agreement to Servicon who has the expertise, skills and knowledge to perform the services on a short-term basis. A sole source letter is on file in DHS.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of these actions will allow DHS to ensure that the Replacement Facility is properly cleaned before opening.

When approved, DHS requires three signed copies of the Board's action.

Respectfully submitted,



WILLIAM T FUJIOKA  
Chief Executive Officer

WTF:SRH:SAS  
DRJ:DHH:bjs

Attachments (2)

c: County Counsel  
Director and Chief Medical Officer, Department of Health Services

**SUMMARY OF AGREEMENT**

1. TYPE OF SERVICES:

General and sterile housekeeping services.

2. AGENCY ADDRESS AND CONTACT PERSON:

Servicon Systems, Inc.  
3965 Landmark St.  
Culver City, CA 90232

Attention: Enio Martinez, Senior Manager Healthcare Services  
Telephone: (310) 204-5040 x 244 Fax: (310) 204-5097  
E-mail: [enio@janitorial.com](mailto:enio@janitorial.com)

3. TERM:

Effective upon Board approval through March 31, 2009 or upon completion of the four cleaning phases to the satisfaction of the Director or his designee, whichever comes first.

4. FINANCIAL INFORMATION:

The maximum obligation is \$409,314 and may be increased by no more than 25 percent (\$102,329) for unscheduled emergency work for a potential total maximum obligation of \$511,643. Funding is included in the Fiscal Year 2007-08 LAC+USC Healthcare Network Adopted Budget and will be requested, if necessary, in future fiscal years.

5. GEOGRAPHIC AREA SERVED:

First District.

6. ACCOUNTABILITY FOR PROGRAM MONITORING AND EVALUATION:

Pete Delgado, Chief Executive Officer, LAC+USC Medical Center

7. APPROVALS:

LAC+USC Medical Center:  
Contracts and Grants:  
County Counsel (approval as to form):

Pete Delgado, CEO  
Cara O'Neill, Chief  
Christina Salseda